

## Message Text

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41

ORIGIN IO-10

INFO OCT-01 EUR-12 ISO-00 EB-07 AID-05 STR-04 INT-05

FEAE-00 CIAE-00 COME-00 INR-07 LAB-04 NSAE-00 SIL-01

TRSE-00 DIWY-01 PA-02 OIC-02 L-02 PRS-01 OMB-01 /065 R

DRAFTED BY EB/OT/GCP:CBLACK/IO/CMD:HHOFFMAN/AD

APPROVED BY IO/CMD:DFORMAN

AID/PPC/IA:LRUDEL (INFO)

IO/BAPS:WSOUTHWORTH (INFO)

----- 076122

O R 181557Z APR 75

FM SECSTATE WASHDC

TO AMEMBASSY VIENNA IMMEDIATE

INFO USMISSION USUN NEW YORK

UNCLAS STATE 089120

E.O. 11652: N/A

TAGS: UNIDO, OCON, EAID, US

SUBJECT: UNIDO - IDB IX: PROGRAM/BUDGET AND MEDIUM-TERM  
PLAN

REF: A) STATE 86047; B) VIENNA 3218; C) VIENNA 3257;  
D) 3305

1. DEPARTMENT APPROVES POSITION PAPER SUBMITTED BY MISSION  
ON PROGRAM/BUDGET AS STATED REFTel B WITH FOLLOWING  
ADDITIONAL GUIDANCE ON QUESTIONS RAISED PARA 2 (D) AFTER  
RECONSIDERATION OF POSITION PROVIDED MISSION IN PARA 2 (C)  
REFTel A:

A) WITH RESPECT TO ITEM PARA 12.13 OF PROGRAM/BUDGET,  
US DEL SHOULD INQUIRE INTO AMOUNT OF FUNDS BEING BUDGETED

FOR EXAMINATION OF POTENTIAL FOR, AND PROMOTION OF,  
ESTABLISHMENT OF TWO PRODUCER-PROCESSOR ASSOCIATIONS  
PARTICULARLY IN THE ALUMINUM AND IRON AND STEEL INDUSTRIES.  
US DEL SHOULD REQUEST MODIFICATION OF THIS ITEM TO CALL  
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FOR EXAMINATION OF NEED, POTENTIAL FOR, AND PROSPECTIVE

FUNCTIONS OF SUCH ASSOCIATIONS.IT WOULD APPEAR PREMATURE TO EXAMINE PROMOTION OF SUCH ASSOCIATIONS BUT IF NECESSARY US DELEGATION MAY ACCEPT INCLUSION OF PROMOTION IN STUDY. US DEL SHOULD STATE THAT OUR ASSUMPTION, INASMUCH AS THIS ITEM IS INCLUDED UNDER"PROGRAMS OF ACTIVITY IN

INDUSTRIAL TECHNOLOGY", IS THAT SUCH ASSOCIATIONS WOULD INVOLVE EXCHANGE OF INFORMATION AND EXPERIENCE AMONG ENTERPRISES AND WHERE APPROPRIATE GOVERNMENTS OF BOTH DEVELOPED AND DEVELOPING COUNTRIES, INCLUDING PRODUCERS OF PRIMARY PRODUCT, PROCESSORS AND INDUSTRIAL END-USERS, WITH REGARD TO TECHNICAL AND PRODUCTION PROCESSES, STANDARDS, QUALITY AND OTHER TECHNICAL DATA OF ASSISTANCE IN IMPROVING THE RELEVANT INDUSTRIAL SECTOR IN DEVELOPING COUNTRIES. THE US DOES NOT BELIEVE SUCH ACTIVITIES ARE APPROPRIATELY FOSTERED BY UNIDO'S ESTABLISHMENT OF PRODUCER-PROCESSOR ASSOCIATIONS, SINCE OTHER BODIES ALREADY EXIST OR COULD BE INDEPENDENTLY CREATED. WE WOULD, HOWEVER, BE PREPARED TO SUPPORT AN EXAMINATION OF THE MATTER. IF US DEL DETERMINES THAT OTHER FUNCTIONS ARE ENVISAGED FOR SUCH ASSOCIATIONS WHICH WOULD INVOLVE THEM IN ASSISTING ONE-SIDED GROUPINGS OF PRODUCERS AND PROCESSORS OF THE PRIMARY PRODUCT TO INTEREVE IN MARKETS OR MANIPULATE SUPPLIES AND PRICES, OR IF DEVELOPED COUNTRIES AND DEVELOPED COUNTRY ENTERPRISES ARE NOT ELIGIBLE TO PARTICIPATE IN SUCH ASSOCIATIONS, THE US DEL SHOULD, AS APPROPRIATE, STATE ITS STRONG OPPOSITION TO UNIDO'S EXAMINATION ALONG LINES INDICATED IN REFTEL A AND IN POSITION PAPER ON PRODUCERS ASSOCIATIONS PROVIDED FOR UNIDO II (UNEC D-143/75). US DEL SHOULD PLACE STRONG EMPHASIS ON POINT THAT FOSTERING SUCH ONE-SIDED ASSOCIATIONS WHICH WOULD EXCLUDE SOME MEMBERS OF UNIDO CLEARLY WOULD BE OUTSIDE THE MANDATE OF UNIDO.

B) WITH RESPECT TO ITEM PARA 12.43 OF PROGRAM/BUDGET, US DEL SHOULD INQUIRE INTO AMOUNT OF FUNDS BEING BUDGETED FOR IDENTIFICATION OF INDUSTRIAL ENTERPRISES FOR TRANSFER AND AMOUNT BUDGETED FOR ASSISTANCE IN TRANSPLANTING EIGHT SUCH ENTERPRISES. US DEL SHOULD REQUEST FURTHER INFORMATION ON THIS PROGRAM TO DETERMINE UNCLASSIFIED

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DETAILS OF HOW UNIDO INTENDS TO GO ABOUT IDENTIFYING INDUSTRIAL ENTERPRISES FOR TRANSFER AND NATURE OF ASSISTANCE IT ANTICIPATES EXTENDING. US DEL AT ITS DISCRETION, IN LIGHT OF CLARIFICATIONS OF UNIDO SECRETARIAT AND OF COMMENTS OF OTHER MEMBERS OF IDB, SHOULD DECIDE WHETHER TO ENTER RESERVATION ON THIS PARAGRAPH AS OUTLINED IN REFTEL A. US REMAINS HIGHLY DUBIOUS ABOUT UNIDO BECOMING INVOLVED IN THIS SORT OF

ACTIVITY WHICH IS RESPONSIBILITY OF ENTERPRISES OR  
GOVERNMENTS.

2. MISSION INTERPRETATION OF POSITION ON RESERVATION  
RE REGULAR PROGRAM OF TECHNICAL ASSISTANCE STATED  
REFTEL C IS CORRECT.

3. MISSION AUTHORIZED USE EXCELLENT RECOMMENDATIONS  
CONTAINED REFTEL D AS US POSITIONS ON MEDIUM-TERM  
PLAN, TAKING ACCOUNT OF ADDITIONAL GUIDANCE IN PARA 1  
AS PERTAINS TO PARAS 5 (C) AND (G) REFTEL D.

4. DEPARTMENT WILL RESPOND TO SPECIFIC QUERIES RAISED  
REFTEL D BY SEPTTEL. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TECHNICAL ASSISTANCE, MEETING AGENDA, PROGRAMS (PROJECTS), FINANCIAL CONTRIBUTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE089120  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** CBLACK/IO/CMD:HHOFFMAN/AD  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750136-0907  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750437/aaaabihi.tel  
**Line Count:** 129  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN IO  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 86047, 75 VIENNA 3218, 75 VIENNA 3257  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 JUL 2003 by maginmm>; APPROVED <30 JAN 2004 by ShawDG>  
**Review Markings:**

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EO Systematic Review  
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**Review Media Identifier:**  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNIDO - IDB IX: PROGRAM/BUDGET AND MEDIUM-TERM PLAN  
**TAGS:** OCON, EAID, US, UNIDO  
**To:** VIENNA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006